

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 930 - SB 786

February 22, 2019

SUMMARY OF BILL: Extends indefinitely wholesaler reporting requirements under the Retail Accountability Program (RAP) regarding the following items: food, candy, and nonalcoholic beverages, including bottled soft drinks.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Under the RAP, pursuant to Tenn. Code Ann. § 67-6-410, the DOR is authorized to require persons making sales to retailers of beer or tobacco products file an information report of such sales.
- In addition, pursuant to Public Chapter 907 of the Public Acts of 2016, wholesalers making sales of \$500,000 or more per year of candy, food, and non-alcoholic beverages, including bottled soft drinks, are required to report their sales to the DOR. However, such requirement is currently set to sunset on July 1, 2019.
- The proposed legislation will extend the requirement indefinitely
- Based on information provided by the DOR, the proposed requirement results in approximately \$1,000,000 in additional sales tax collections, \$710,200 of which is the state portion and \$289,800 of which is the local portion.
- Extending the requirement indefinitely will maintain the current level of state and local sales tax collections.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

/jdb

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